

RESOLUTION NO. 75698

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING THE DIRECTOR OF HOUSING TO NEGOTIATE AND EXECUTE AGREEMENTS WITH EDEN HOUSING OR ITS AFFILIATE FOR THE FORD & MONTEREY SPECIAL NEEDS HOUSING PROJECT

WHEREAS, in June 2006, the Council of the City of San José ("City") authorized the Housing Department purchase of a 3.06-acre vacant site from the Santa Clara Valley Transportation Authority located on the north side of Ford Road approximately 550 feet east of Monterey Road ("Ford & Monterey site"); and

WHEREAS, on December 9, 2008 the City Council approved Eden Housing ("Eden") to enter into exclusive negotiations for the Ford & Monterey site and to execute a ground lease option agreement with the City for the development of 75 units of affordable family apartments and 20 units of special needs housing apartments; and

WHEREAS, the City desires to approve a funding commitment of 20% Low and Moderate Housing funds totaling \$1.43 million to Eden as follows: 1) a conditional funding commitment of \$190,000 for Affordable Housing Program ("AHP"), in case the AHP award is not obtained in time to meet the U.S. Department of Housing and Urban Development ("HUD") financing deadlines; 2) a conditional financing commitment for the \$500,000 Housing Trust of Santa Clara County ("HTSCC") loan, in case HUD does not approve HTSCC as a private lender; and 3) a bridge loan of \$740,000 to cover Phase II family apartments infrastructure costs that must be completed during the construction of the Ford & Monterey Special Needs Housing Project, per the City's requirements; and

WHEREAS, the City desires to authorize the Director of Housing to negotiate and execute agreements in the amount of \$1.43 million of 20% Low and Moderate Income Housing funds ("20% funds") to Eden Housing, or its affiliate, for the Ford & Monterey

Special Needs Housing Project ("Project") in order to meet federal Stimulus (NSP2) timeframes and to make a finding that the use of 20% funds outside a redevelopment project area for the affordable housing to be provided by the Project, and its Phase II, benefits the Redevelopment Agency's redevelopment project areas;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

1. The Director of Housing is hereby authorized to negotiate and execute agreements in the amount of \$1.43 million of 20% Low and Moderate Income Housing funds ("20% funds") to Eden Housing, or its affiliate, for the Ford & Monterey Special Needs Housing Project ("Project") in order to meet federal Stimulus (NSP2) timeframes, as more specifically set forth in the Director of Housing's report dated January 18, 2011.
2. A finding that the use of 20% funds outside a redevelopment project area for the affordable housing to be provided by the Project, and its Phase II, benefits the Redevelopment Agency's redevelopment project areas has been made.

ADOPTED this 19th day of January, 2011, by the following vote:

AYES: CAMPOS, CHU, CONSTANT, HERRERA, KALRA,
LICCARDO, NGUYEN, OLIVERIO, ROCHA, PYLE;
REED.
NOES: NONE.

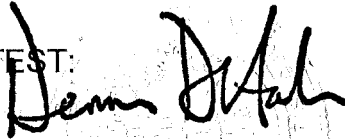
ABSENT: NONE.

DISQUALIFIED: NONE.



CHUCK REED
Mayor

ATTEST:



DENNIS D. HAWKINS, CMC
City Clerk